P 091020Z JUL 87 FM AMEMBASSY COLOMBO TO SECSTATE WASHDC PRIORITY 3520 INFO AMEMBASSY NEW DELHI AMCONSUL MADRAS

C O N F I D E N T I A L SECTION 01 OF 02 COLOMBO 04526

E.O. 12356: DECL: OADR TAGS: PINS PREL CE IN PHUM SUBJECT: THE LTTE FACES PROBLEMS

- <u>¶</u>1. CONFIDENTIAL -- ENTIRE TEXT.
- 12. WE HAVE HEARD FROM A VARIETY OF RELIABLE SOURCES THAT THE LTTE HAD BEEN SIGNIFICANTLY WEAKENED BY OPERATION LIBERATION BEGUN IN LATE MAY AND THAT IT HAD YET TO RECOUP ITS LOSSES. PERHAPS THE MOST DETAILED AND CREDIBLE REPORT CAME FROM LOUIS PAUL, A SENIOR EDITOR OF THE SATURDAY REVIEW, A RESPECTED JAFFNA FORTNIGHTLY WHICH MAINTAINS VERY GOOD TIES WITH THE LTTE. DCM AND POLCOUNS MET WITH PAUL, WHO WAS IN COLOMBO FOR A FEW DAYS, ON JULY 7.

THE EFFECT OF THE OFFENSIVE

13. PAUL SAID THAT OPERATION LIBERATION WAS A REAL TURNING POINT IN THE INSURGENCY SINCE IT RESULTED IN THE ALIENATION FROM THE LTTE OF A MAJORITY OF THE JAFFNA CIVILIAN POPULATION. UNTIL THAT POINT, MOST JAFFNA CITIZENS--INCLUDING THOSE WHO DID NOT AGREE WITH LTTE AIMS OR METHODS--LOOKED UPON THE TIGERS AS PROTECTORS WHO SHIELDED THE CIVILIANS FROM THE GSL "ARMY OF OCCUPATION." THE TIGERS IN MANY INSTANCES IN MAY/JUNE ABROGATED THIS ROLE: ONLY DID THEY NOT PROTECT THE PEOPLE BUT SOMETIMES EVEN FAILED (BEFORE THEY THEMSELVES MELTED AWAY) TO WARN THE POPULATION WHEN THEY HAD INTELLIGENCE THAT A GSL OPERATION WAS PLANNED IN A SPECIFIC AREA. THE COMMON MAN, ACCORDING TO PAUL, DOES NOT UNDERSTAND THE DISAPPEARANCE FROM THE FIELD OF THE LTTE AS BEING A STANDARD GUERRILLA TACTIC. INSTEAD HE SEES IT AS A BETRAYAL. THE RESULT HAS BEEN A DRAMATIC SHIFT IN ATTITUDES, HE CLAIMS, WITH MANY PEOPLE SHIFTING THEIR TRUST FROM THE LTTE TO THE GOVERNMENT OF INDIA AS THEIR ONLY POSSIBLE "PROTECTOR." NOW FOR THE FIRST TIME, PAUL SAYS, PEOPLE IN JAFFNA ARE TALKING OPENLY ABOUT ANNEXATION BY INDIA AS BEING AN ACCEPTABLE, EVEN PREFERRED, SOLUTION TO THE CURRENT CRISIS.

BOTH THE SIZE AND MORALE OF THE LTTE HAVE REPORTEDLY DIPPED PRECIPITIOUSLY BECAUSE OF THE OFFENSIVE. PAUL BELIEVES THAT THE LTTE HAS BEEN UNABLE TO REPLACE MUCH OF THE MUNITIONS AND EQUIPMENT IT LOST DURING THE OFFENSIVE. HE SAYS THAT TIGER MORALE REMAINS LOW. NUMBER OF CADRE TOO HAS DROPPED, PAUL SAID, FROM A HIGH WHICH HE PLACED AT 7,000 TO SOME 3,000 NOW. OF THAT NUMBER, HE ESTIMATED, ONLY ABOUT 500 HAD RECEIVED ANY REAL TRAINING. WHEN THE OFFENSIVE CAME, MANY SIMPLY QUIT FIGHTING BUT STAYED IN THE NORTH. A NUMBER OF YOUNG MEN HAVE LEFT NOT ONLY THE MOVEMENT BUT THE ISLAND, CROSSING TO INDIA. (EMBASSY COMMENT: UNDOUBTEDLY ARE COMING SOUTH AS WELL. WE WERE TOLD JULY 7 BY A WELL-PLACED TAMIL SOURCE IN COLOMBO THAT HE WAS BUSY FINDING HOUSING AND PLACEMENT IN SCHOOLS FOR A SIGNIFICANT NUMBER OF TAMIL YOUTH WHO HAVE COME DOWN FROM JAFFNA PENINSULA IN RECENT DAYS.)

THE LTTE LEADERSHIP

15. PAUL SAID THAT RECENT GSL CLAIMS OF SUCCESSES IN KILLING VARIOUS TIGER LEADERS (WHICH WE HAD QUESTIONED IN OUR LATEST WEEKLY ROUNDUP, COLOMBO 4388) ARE ESSENTIALLY CORRECT. HE SAID THAT THE SECURITY FORCES HAVE "DECIMATED" THE UPPER-MIDDLE LEADERSHIP IN RECENT MONTHS AND THAT PRABHAKARAN NOW SUFFERS FROM A DEARTH OF QUALIFIED LIEUTENANTS. MAHATHAYA (THE ALIAS SIMPLY MEANS "MR."), THE FORMER KILINOCHCHI AREA COMMANDER WHO WAS BROUGHT TO JAFFNA TO TAKE OVER AFTER KITTU WAS WOUNDED EARLIER THIS YEAR, IS DEFINITELY PRABHAKARAN'S SENIOR LIEUTENANT NOW. KITTU HOWEVER CONTINUES TO REMAIN ACTIVE IN THE LTTE DESPITE SOME REPORTS HERE THAT HE HAD LEFT THE ORGANIZATION AFTER THE ATTEMPT ON HIS LIFE. (EMBASSY COMMENT: ACCORDING TO IQBAL ATHAS, A COLOMBO JOURNALIST WHO REPORTS EXTENSIVELY ON THE LTTE AND WHO HAS EXCELLENT CONTACTS WITH THEIR LEADERSHIP, MAHATHAYA'S REAL NAME IS MAHENDRA RAJA. HE IS BETWEEN 35-40 YEARS OLD AND IS FROM VAVUNIYA IN THE WANNI AREA SOUTH OF THE PENINSULA. (SEE COLOMBO 2374 OF APRIL 9 FOR WHAT OTHER FEW DETAILS WE HAVE ON MAHATHAYA.)

16. BUT, AS WE HAVE REPORTED BEFORE, THE LTTE REMAINS A HIGHLY CENTRALIZED AND AUTHORITARIAN ORGANIZATION. PRABHAKARAN IS "THE ONLY LEADER" WHO COUNTS AT ALL. IF SOMETHING WERE TO HAPPEN TO HIM, PAUL SAYS, THE LTTE WOULD PROBABLY FALL APART. PRABHAKARAN REMAINS ON THE PENINSULA BUT CONTINUES TO STAY OUT OF SIGHT. HE HAS REFUSED TO SEE ANY OF THE MANY JAFFNA JOURNALISTS OR PROMINENT CITIZENS WHO HAVE ASKED TO SEE HIM IN RECENT MONTHS. PAUL COMMENTED THAT PRABHAKARAN AND PRESIDENT JAYEWARDENE SHARE AT LEAST ONE WEAKNESS: "THEY BOTH SUFFER FROM ISOLATION FROM THEIR PEOPLE."

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## PRABHAKARAN AND NEGOTIATIONS

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17. PRABHAKARAN REMAINS ABSOLUTELY UNBENDING IN HIS DEMAND FOR EELAM. PAUL SAID THAT MANY IN THE LTTE HIERARCHY, INCLUDING SPECIFICALLY KITTU AND RAHIM, WOULD PROBABLY AGREE TO A NEGOTIATED SETTLEMENT AS LONG AS IT INCLUDED THE CONCEPT OF A TAMIL "HOMELAND." BUT PRABHAKARAN WOULD NOT AGREE TO NEGOTIATIONS UNDER ANY CIRCUMSTANCES, AND HIS IS THE ONLY LTTE VIEW WHICH MATTERS. HIS ANTIPATHY TO NEGOTIATIONS EXTENDS TO REFUSING EVEN SECRET, INDIRECT CONTACTS WITH THE GSL: ACCORDING TO PAUL, PRABHAKARAN THIS SPRING REFUSED TO SEE THE EDITOR-IN-CHIEF OF THE SATURDAY REVIEW (GAMINI NAVARATNA, ONE OF THE RELATIVELY FEW SINHALESE LIVING IN JAFFNA) EVEN KNOWING THAT NAVARATNA HAD BEEN ASKED BY THE PRESIDENT TO DELIVER A MESSAGE TO HIM ON J. R.'S BEHALF. PAUL APPEARED TO BELIEVE THAT A WAY WOULD HAVE TO BE FOUND TO REMOVE PRABHAKARAN FROM THE SCENE IF THERE WERE TO BE ANY HOPE FOR A NEGOTIATED SOLUTION TO THE CRISIS.

SPAIN